

SECRET

OUTGOING

SECRET
IMMEDIATE

FRP: .2,
STAFF

[REDACTED]

PAGE 001
TOT: 200626Z APR 88

SECRET//NOFORN//NOCONTRACT
BRIEF 200626Z
TO: [REDACTED] ROUTINE MEA BRIEF.

WMINTEL

[REDACTED]

SUBJECT: MIDDLE EAST BRIEF [REDACTED] FOR 20 APRIL 1988.

FROM: DDI/O/CPAS.

CONTENTS

1. PERSIAN GULF: SITUATION REPORT
2. IRAN-IRAQ: THE RECAPTURE OF AL FAW
3. INTERNATIONAL: OIL MARKETS REMAIN CALM
4. [REDACTED]

5. IN BRIEF
1. PERSIAN GULF: SITUATION REPORT

IRANIAN RESPONSES MORE SUBDUED

IRANIAN ACTIONS YESTERDAY WERE LESS CONFRONTATIONAL AND MORE DEFENSIVE. [REDACTED] IRANIAN SPEEDBOATS ATTACKED ANOTHER TANKER YESTERDAY--THE THIRD MERCHANT SHIP ASSOCIATED WITH THE UAE HIT SINCE MONDAY. [REDACTED]

Approved for Release
Date JUN 1999

SECRET

1 6 3 0

273

C
U
T
T
I
N
G
M
E
S
S
A
G
E

C
U
T
T
I
N
G
M
E
S
S
A
G
E

C
U
T
T
I
N
G
M
E
S
S
A
G
E

~~SECRET~~

PAGE 002
TOT: 200626Z APR 88

THE COMMANDER OF IRAN'S NAVY ADMITTED PUBLICLY YESTERDAY THAT AN IRANIAN MISSILE PATROL BOAT WAS SUNK, TWO FRIGATES DAMAGED, 15 SAILORS KILLED, AND AN UNSPECIFIED NUMBER INJURED ON MONDAY.

THE COMMANDER OF THE REVOLUTIONARY GUARD NAVY DID NOT REPORT ANY LOSSES. BOTH THREATENED FURTHER ACTION AGAINST US FORCES.

IRAN'S FEW AGGRESSIVE ACTIONS YESTERDAY WERE DIRECTED AT COMMERCIAL TARGETS AND UNDOUBTEDLY WERE IN RESPONSE TO ITS LOSSES ON MONDAY.

FOR NOW, IRAN MAY TRY TO SHOW THAT IT HAS NOT BEEN COWED BY CONTINUING TO ATTACK VULNERABLE MERCHANT SHIPS AND OIL PLATFORMS IN THE SOUTHERN GULF. TEHRAN MAY KEEP LOOKING FOR OPPORTUNITIES TO STRIKE AT THE FEW PLATFORMS OPERATED PRIMARILY BY US OILWORKERS. IRANIAN MILITARY FORCES WILL DEFEND THEMSELVES BUT ARE LESS LIKELY FOR NOW TO SEEK A CONFRONTATION WITH US FORCES.

IRANIAN POLITICAL REACTION

IRANIAN LEADERS ARE CALLING THE US ATTACK ON IRANIAN INTERESTS IN THE GULF AND IRAQ'S ASSAULT ON AL FAW A COORDINATED EFFORT TO SAVE BAGHDAD FROM DEFEAT AND DESTROY THE ISLAMIC REPUBLIC. TEHRAN CLAIMS US HELICOPTERS PARTICIPATED IN THE IRAQI ATTACK AND ACCUSES KUWAIT OF ALLOWING IRAQ TO USE BUBIYAN ISLAND AS A STAGING AREA. ASSEMBLY SPEAKER RAFSANJANI SUGGESTED YESTERDAY THAT THE SOVIETS MAY HAVE PARTICIPATED IN THE CONSPIRACY BY REITERATING THEY GAVE IRAQ THE MISSILES USED AGAINST IRANIAN CITIES.

TEHRAN HAS WARNED THAT THE US 'ENTRY' INTO THE WAR ON IRAQ'S SIDE WILL BRING AN IRANIAN RESPONSE THAT 'WILL SEVER THE ROOTS OF THE US EXISTENCE IN THE REGION.' IRANIAN LEADERS HAVE URGED A NATIONWIDE MOBILIZATION TO CONTINUE THE WAR AND THWART IRAN'S MANY ENEMIES.

IRANIAN LEADERS ARE ON THE DEFENSIVE AND PROBABLY HOPE THAT PORTRAYING IRAN'S RECENT SETBACKS AS A US-LED CONSPIRACY WILL HELP FOCUS POPULAR ANGER AWAY FROM THE CLERICAL REGIME. THE APPEARANCE OF COORDINATION BETWEEN EXTERNAL ENEMIES IS LIKELY TO STRENGTHEN HARDLINERS IN TEHRAN WHO WILL ARGUE THAT IRAN MUST ULTIMATELY RESPOND AGGRESSIVELY IN THE FACE OF SETBACKS OR RISK BEING PERCEIVED AS WEAK AND VULNERABLE.

~~SECRET~~

1 6 3 1

OUTGOING MESSAGE

OUTGOING MESSAGE

OUTGOING MESSAGE

~~SECRET~~

b3 PAGE 003
TCT: 200626Z APR 88 b3

b1
[REDACTED]
MORE WEST EUROPEAN REACTIONS

THE WEST EUROPEANS CONTINUE TO CRITICIZE IRAN'S RENEWED MINING OF THE PERSIAN GULF BUT ARE DIVIDED OVER THE EXTENT OF SUPPORT FOR THE US RESPONSE. THE WESTERN EUROPEAN UNION YESTERDAY CALLED FOR AN IMMEDIATE END TO ALL MINING AND OTHER ACTS AGAINST INTERNATIONAL SHIPPING, WITHOUT MENTIONING IRAN, AND NOTED SUCH MINING PROVOKES SELF-DEFENSE MEASURES. b3

THE DUTCH WANTED TO CONDEMN THE MINING WITHOUT MENTIONING THE US, WHILE THE FRENCH PREFERRED A WEAKER LINE. IN SEPARATE STATEMENTS, THE ITALIANS SAID THE IRAN HAD INVITED US RETALIATION, SPAIN CONDEMNED THE MINING, AND NORWAY CALLED FOR A UN PRESENCE IN THE GULF. b1 b3

DUTCH, FRENCH, AND ITALIAN NAVAL FORCES HAVE REPORTED FINDING AT LEAST SEVEN MORE MINES THIS WEEK IN THE GULF. b1 b3

THE BELGIANS, DUTCH, [REDACTED] WILL MEET IN THE HAGUE MONDAY TO DISCUSS COMBINING THEIR OPERATIONS IN THE GULF. b3

[REDACTED] UNLIKE THE STATEMENTS OF SUPPORT FROM [REDACTED] BELGIUM, AND DENMARK ON MONDAY, THE MUTED SUPPORT FOR US ACTION PROBABLY REFLECTS A FEAR THAT THE ESCALATION OF FIGHTING WILL DRAG THE WEST EUROPEANS INTO THE CONFLICT EVEN FURTHER. HAVING FAILED TO TAKE AN OFFICIAL POSITION ON THE US RESPONSE TO IRAN'S MINELAYING LAST OCTOBER, THE FRENCH ARE NOT LIKELY TO ISSUE A STATEMENT ON THE INCIDENTS OF MONDAY. b3 b3

LACK OF MINELAYING ACTIVITY WAS ONE REASON BELGIUM HAD FOR PULLING OUT OF THE GULF. THE COALITION GOVERNMENT NOW BEING FORMED IN BRUSSELS WILL MAKE THE FINAL DECISION. THE NEW GOVERNMENT MAY INCLUDE MEMBERS OF THE FLEMISH SOCIAL DEMOCRATIC PARTY, WHICH HAS OPPOSED THE DEPLOYMENT TO THE GULF. b3

SOVIET CRITICISM

A PRAVDA COMMENTARY YESTERDAY CONDEMNED US ACTIONS IN THE GULF AS ACTS OF PIRACY AND REVENGE UNBECOMING A GREAT POWER. THE COMMENTARY SAID THE ACTION WAS PART OF A BROADER STRATEGY TO SECURE WESTERN INFLUENCE IN THE OIL-RICH REGION AND SHOWED DISREGARD FOR FREEDOM OF NAVIGATION IN THE GULF. PRAVDA LINKED THE TIMING OF THE US MOVES TO THE ASSASSINATION OF PLO OFFICIAL ABU JIHAD, HINTING THAT WASHINGTON AND TEL AVIV ACT IN UNISON IN THE MIDDLE EAST. IN

~~SECRET~~

1 6 3 2

~~SECRET~~

PAGE 004
TOT: 200626Z APR 88

THE MEANTIME, [REDACTED] b3
[REDACTED] THAT THE US RESPONSE, COUPLED WITH THE INCREASED b3
FIGHTING BETWEEN TEHRAN AND BAGHDAD, HAS ELIMINATED ANY PROSPECT FOR b3
ENFORCING THE UN CEASE-FIRE RESOLUTION ON THE IRAN-IRAQ WAR. b3

[REDACTED] THE SOVIETS ARE ATTEMPTING TO UNDERCUT ANY CREDIT THE b3
US MIGHT RECEIVE PRIVATELY FROM THE ARABS FOR ITS STRIKES AGAINST. b3
THE IRANIANS. THE PRAVDA COMMENTARY WAS AIMED AT PERSUADING THE b3
ARABS THAT THE US NAVAL PRESENCE THREATENS RATHER THAN PROTECTS b(3)
NAVIGATION IN THE GULF. b3
MOSCOW IS READY TO USE THE NEWEST EVENTS IN THE GULF AS A FURTHER
EXCUSE FOR DELAYING THE SIGNING OF AN ENFORCEMENT RESOLUTION.

2. IRAN-IRAQ: THE RECAPTURE OF AL FAW

[REDACTED] b1
[REDACTED] b3
MAJOR ELEMENTS OF THE IRAQI ARMY AND REPUBLICAN GUARD CONDUCTED b1
A TWO-PRONGED, THREE-PHASE OFFENSIVE BEGINNING SUNDAY MORNING. b3

[REDACTED] b3
[REDACTED] THE MAIN FORCE BYPASSED FORWARD
IRANIAN POSITIONS AND ENTERED THE TOWN OF AL FAW EARLY MONDAY
MORNING, AND BY YESTERDAY THE IRAQIS HAD CLEANED UP AREAS OF IRANIAN
RESISTANCE AND CONSOLIDATED POSITIONS. IRAQI CASUALTIES WERE
LIGHTER THAN ANTICIPATED IN THE 35-HOUR OFFENSIVE.
IRANIAN FORCES WITHDREW TO THE EAST BANK OF THE SHATT AL ARAB; b3, b1
[REDACTED] b3

[REDACTED] THIS IS BY FAR THE BIGGEST IRAQI MILITARY VICTORY
SINCE 1981, AND BAGHDAD MAY FEEL CONFIDENT ENOUGH TO ORDER FURTHER
ATTACKS AGAINST WEAKENED IRANIAN FORCES ALONG THE SOUTHERN FRONT.
IRAN MAY HAVE SUFFERED HEAVY LOSSES OF MEN AND EQUIPMENT AND IS
PROBABLY NOT IN A POSITION TO COUNTERATTACK. MANY OF ITS FORCES IN
THE SOUTH HAVE BEEN MOVED TO SUPPORT FIGHTING IN THE NORTH, AND
HEAVY FLOODING WILL COMPLICATE ANY IRANIAN OFFENSIVE PREPARATIONS.
TEHRAN CAN NO LONGER DISCOUNT THE POSSIBILITY OF IRAQI OFFENSIVE
ACTIONS AND MAY HAVE TO DEVOTE MORE FORCES TO ITS OWN DEFENSIVE
LINES. b3

THE RECAPTURE OF AL FAW ELIMINATES A MAJOR IRANIAN-BARGAINING
CHIP IN ANY PEACE NEGOTIATIONS AND MIGHT CAUSE TEHRAN TO THINK MORE
SERIOUSLY ABOUT PURSUING NEGOTIATIONS UNDER UN AUSPICES. BAGHDAD MAY
IN TIME SOFTEN ITS DEMAND THAT WITHDRAWAL FROM OCCUPIED TERRITORIES-
X-THE MOST IMPORTANT OF WHICH WAS AL FAW--PRECEDE NEGOTIATIONS. IN
THE SHORT TERM, HOWEVER, THE IRAQIS ARE LIKELY TO TRY TO STRENGTHEN
THEIR POSITION FURTHER. b3

~~SECRET~~

1 6 3 3

OUTGOING MESSAGE

OUTGOING MESSAGE

OUTGOING MESSAGE

~~SECRET~~

PAGE 005
TOT: 200626Z APR 88

3. INTERNATIONAL: OIL MARKETS REMAIN CALM

OIL PRICES--WHICH ROSE MONDAY BECAUSE OF HOSTILITIES IN THE PERSIAN GULF--FELL YESTERDAY. CRUDE PRICES FOR WEST TEXAS INTERMEDIATE DROPPED MORE THAN 80 CENTS A BARREL FROM THE MONDAY HIGH OF \$18.92. SIMILARLY, NORTH SEA BRENT PRICES WERE DOWN TO \$17 A BARREL. MULTINATIONAL OIL COMPANIES REPORTEDLY ARE EXAMINING SHIPPING POLICIES IN REGARD TO PERSIAN GULF ACTIVITIES BUT REMAIN RELATIVELY CALM. [REDACTED] WORK CREWS RETURNED TO SOME OF THE UAE'S OFFSHORE OILFIELDS, EVACUATED MONDAY, TO RESUME PRODUCTION OF ABOUT 600,000 BARRELS PER DAY. [REDACTED]

[REDACTED] OIL MARKET PARTICIPANTS VIEW THE EVENTS ON MONDAY AS AN ISOLATED INCIDENT RATHER THAN A GENERAL ESCALATION OF HOSTILITIES AND ARE CONVINCED THE US MILITARY PRESENCE IN THE GULF ENSURES RELATIVELY SAFE PASSAGE FOR THEIR TANKERS. [REDACTED] CONTRARY TO PRESS REPORTS, IRAN LOST 30,000 TO 40,000 B/D OF OIL PRODUCTION CAPACITY FROM THE ATTACKS MONDAY, NOT 150,000. SHARJAH, PART OF THE UAE FEDERATION, LOST ABOUT 5,000 B/D OF PRODUCTION. THE AVAILABILITY OF SUPPLIES ELSEWHERE, COUPLED WITH THE MINIMAL DISRUPTION OF OIL FLOW, IS LIKELY TO KEEP PRICES FROM RISING SHARPLY. [REDACTED]

4. [REDACTED]

5. IN BRIEF

SOUTH ASIA

AMERICAS

X--GRENADE EXPLOSION AT US-COSTA RICAN CULTURAL CENTER IN SAN JOSE INJURED FIVE, INCLUDING TWO US CITIZENS. . . . SIMILAR TO BOMBING OF US CONSULATE TWO YEARS AGO BY RADICALS PROTESTING US

~~SECRET~~

1 6 3 4

OUTGOING
MESSAGE

OUTGOING
MESSAGE

OUTGOING
MESSAGE

~~SECRET~~

PAGE 006
TOT: 200626Z APR 88

b3 ~~_____~~
AIRSTRIKE AGAINST LIBYA. ~~_____~~ b3

EUROPE

b3
X--COURT'S 13-YEAR SENTENCE FOR ABBAS HAMMADI STIFFER THAN
EXPECTED . . . DEMONSTRATION OF JUDICIARY'S INDEPENDENCE MAY HURT
EFFORT TO FREE LAST HOSTAGE . . . HIZBALLAH MAY ATTACK WEST GERMAN
INTERESTS TO DISCOURAGE SIMILAR TREATMENT OF BROTHER MOHAMMED. ~~_____~~

b1
b3
b1 b3
b3
MIDDLE EAST



END OF MESSAGE

~~SECRET~~

OUTGOING MESSAGE

OUTGOING MESSAGE

OUTGOING MESSAGE

~~SECRET~~

1 6 3 5